



Milk Pricing

NEWSLETTER

Dairy Marketing Branch, CDFA

October 2001

ANNOUNCEMENT OF MINIMUM FARM PRICES FOR MILK FOR NOVEMBER 2001

The commodity prices per pound for cheese and butter both dramatically decreased this month resulting in a decrease in whole milk prices of 13.6 cents per gallon. Because butter declined more than cheese, skim milk prices actually increased.

This month reflected a weakened demand for dairy products, reduced levels of butter and cheese production, and a slowed economy, all contributing to falling commodity prices.

Minimum Farm Prices for Various Fluid Milks by Container Size for November 2001

	Gallon	1/2 Gallon	Quart	Skim	1/3 Quart	1/2 Pint
Northern California						
Whole Milk	\$1.389	\$0.694	\$0.347	+ 6.7¢	\$0.116	\$0.087
Reduced Fat (2%)	\$1.256	\$0.628	\$0.314	0.157	\$0.105	\$0.079
Lowfat (1%)	\$1.178	\$0.589	\$0.294	0.147	\$0.098	\$0.074
Nonfat (Skim)	\$0.882	\$0.441	\$0.221	+ 2.6¢	\$0.074	\$0.055
Southern California						
Whole Milk	\$1.412	\$0.706	\$0.353	- 13.6¢	\$0.177	\$0.088
Reduced Fat (2%)	\$1.280	\$0.640	\$0.320		\$0.160	\$0.080
Lowfat (1%)	\$1.201	\$0.601	\$0.300		\$0.150	\$0.075
Nonfat (Skim)	\$0.907	\$0.453	\$0.227		\$0.113	\$0.076

Price Changes from October 2001 Pricing Period

	Gallon	1/2 Gallon	Quart	Pint	1/3 Quart	1/2 Pint
Whole Milk	\$0.136-	\$0.068-	\$0.034-	\$0.017-	\$0.011-	\$0.009-
Reduced Fat (2%)	\$0.040-	\$0.020-	\$0.010-	\$0.005-	\$0.003-	\$0.002-
Lowfat (1%)	\$0.026	\$0.013	\$0.006	\$0.003	\$0.002	\$0.002
Nonfat (Skim)	\$0.067	\$0.034-	\$0.017	\$0.006	\$0.006	\$0.004

California Department of Food and Agriculture

William (Bill) Lyons Jr., Secretary

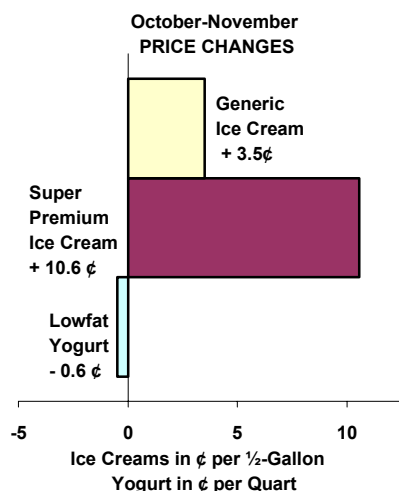
Robert "Tad" Bell, Undersecretary

Daniel E. Webb, Deputy Secretary; Valerie Brown, Deputy Secretary

Vanessa Arellano, Assistant Secretary

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Minimum Farm Prices for the Milk Component in Manufactured Dairy Products



1/ Southern California yogurt and ice cream milk product prices may be up to 1 cent more.

2/ Yogurt and ice cream prices change every second month.

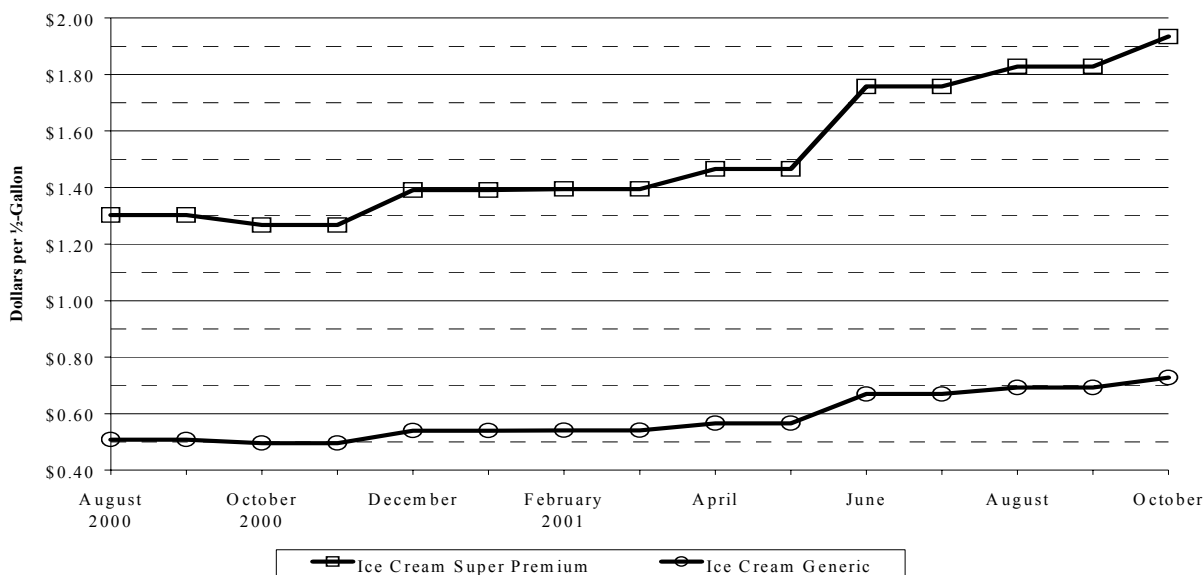
California Milk Component Farm Prices^{1/}

	Lowfat yogurt (\$/quart)	Super-premium ice cream (\$/1/2 gal)	Generic ice cream (\$/1/2 gal)	Butter grade AA (\$/lb)	Cheese (\$/lb)
July	\$0.24	\$1.76	\$0.67	\$1.76	\$1.49
August	\$0.24	\$1.83	\$0.69	\$1.90	\$1.52
September	\$0.24	\$1.83	\$0.69	\$2.01	\$1.55
October	\$0.24	\$1.93	\$0.73	—	—

Price Change from the Prior Pricing Period^{2/}

July	\$—	\$—	\$—	\$0.07-	\$0.02
August	\$0.00	\$0.07	\$0.02	\$0.13	\$0.03
September	\$—	\$—	\$—	\$0.11	\$0.03
October	\$0.00	\$0.10	\$0.04	—	—

Farm Component of Ice Cream Prices



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